

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1173 - SB 1197

February 15, 2023

SUMMARY OF BILL: Requires a life insurance insurer to provide within one business day the names of the beneficiaries of a decedent's life insurance policy, the benefit amount under the policy, and other information requested by a funeral director or funeral establishment that contacts the insurer on behalf of the decedent's family.

Authorizes the insurer to require the funeral establishment to provide proof that the funeral establishment contacted the insurer on behalf of the decedent's family, so long as insurer provides the information requested within one business day. Prohibits the insurer from requiring a funeral establishment to submit a death certificate to obtain such information.

Establishes that an insurer denying policy information at the request of a funeral establishment is a violation and authorizes the funeral establishment to file a complaint with the Department of Commerce and Insurance (DCI). Requires DCI to fine the insurer a civil penalty of \$500 upon assessing such violations.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- DCI can meet all requirements of this legislation utilizing existing resources during regular work hours.
- Passage of this legislation is not expected to result in a significant increase in violations assessed by DCI or have any impact on funeral establishment licensing revenue; therefore, any impact is estimated to be not significant.
- Any other significant impacts of the proposed legislation will be borne by insurers and other private parties and will not result in a significant impact to state or local government.

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IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- This legislation may result in additional expenditures for insurance companies to provide such information where they are not currently doing so; however, any increase in business expenditures is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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